(b) The Fifth Round Table at Srinagar in October, 2004 made an initial attempt at drawing up a Devolution Index that would be fair, objective and removed from all political bias or subjective personal prejudice. The Srinagar exercise was then passed on for refinement to the National Council of Applied Economic Research. The refined and more nuanced Devolution Index is expected to include all indicators covering the major areas relating to the empowerment of Panchayati Raj, Institutions.

HP districts under BRGF

3882. SHRI BASHISTHA NARAIN SINGH: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) the districts in the State of Himachal Pradesh included under Backward Regions Grant Fund (BRGF);

(b) the salient features of the scheme;

(c) the details of the works which would be taken up in various districts under this scheme and regulatory mechanism thereof;

(d) the role of Panchayats in this regard;

(e) the manner in which Government would provide training to representatives of Panchayats for proper implementation of the scheme; and

(f) the amount sanctioned under this scheme to Gram Panchayat Jangla in Shimla district?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR): (a) and (b) Two districts of Himachal Pradesh, namely, Chamba and Sirmour, are included under the Backward Regions Grant Fund programme (BRGF). These districts were also covered under the Rashtriya Sam Vikas Yojana, which has been subsumed into BRGF. The salient features of the programme may be seen at in the enclosed Statement-I (*See* below).

(c) to (e) The objective of the programme is to supplement and converge the existing developmental inflows into identified districts. Therefore, the developmental grant under this programme is substantially untied and can be used by Panchayats and Urban local bodies for any purpose within the items of works that are devolved to them respectively as listed in the Eleventh and Twelfth Schedules of the Constitution. Under the guidelines, the Panchayats and Municipalities, through District Planning Committees,

are required to plan and implement the programme. The guidelines include a National Capability Building Framework for Panchayati Raj elected representatives and functionaries. The framework suggests training content as well as the duration of training programmes to be conducted by each State for the elected representatives. The Capacity Building component includes provision of adequate functionaries and office infrastructure for the Panchayats to be funded out of the developmental grant under BRGF and hiring of experts to assist them in planning. A copy of the relevant provisions in the guidelines given in the enclosed Statement-II (*See* below).

(f) Shimla district is not included in the list of backward districts.

Statement-I

Salient features of the guidelines for the districts component of the Backward Regions Grant Fund (BRGF)

The Backward Regions Grant Fund is designed to redress regional imbalances in development. The fund will provide financial resources for supplementing and converging existing developmental inflows into identified districts, so as to (a) bridge critical gap in local infrastructure and other development requirements that are not being adequately met through existiang inflows, (b) strengthen Panchayat and Municipality level goverance with more appropriate capacity building, to facilitate participatory planning, decision making, implementation and monitoring, to reflect local felt needs, (c) provide professional support to local bodies for planning, implementation and monitoring their plans, (d) improve the performance and delivery of critical functions assigned to Panchayats, and counter possible efficiency and equity losses on account of inadequate local capacity.

The implementing Ministry for the BRGF districts is the Ministry of Panchayati Raj. The Ministry has prepared and issued the guidelines for implementation of the BRGF recently. The guidelines have been placed on the website of the Ministry of Panchayati Raj *(http://www.panchayat.gov.in)*. The salient features of the guidelines issued by the Ministry of Panchayati Raj are as follows:

(i) The BRGF covers 250 districts including all the 147 districts covered by the Rashtriya Sam Vikas Yojana (RSVY).

(ii) BRGF consists of two funding windows, namely, a Capacity Building Fund of Rs. 250 crore per annum, and a substantially untied grant.

(iii) The substantially untied grant will be distributed among the districts as follows:

(a) every district will receive a fixed minimum amount of Rs. 10 crore per annum, and (b) the balance allocation under the scheme will be made on the basis of the share of the population and area of the districts in the total population and area of all the backward districts.

(iv) All the 147 RSVY districts will be released funds till the plans approved under RSVY (plus the existing monitoring fee) have been completed to the extent approved. Non RSVY—BRGF districts will begin the process of District Plan preparation in 2006-07 in accordance with these guidelines.

(v) Each Panchayat or Municipality within the backward district concerned will be the unit for planning under BRGF. Plans prepared by each Panchayat or Municipality will be consolidated into the District Plan by the District Planning Committee, constituted in accordance with the provisions of the Constitution.

(vi) During the consolidation of the District Plan, particular care shall be taken to ensure that the District Plan addresses issues relating to SC/ST development.

(vii) The State Government will designate a department, preferably the Department of Panchayati Raj, as the nodal department at the State level, responsible for the management, monitoring and evaluation of the programme.

(viii) A High Powered Committee headed by the State Chief Secretary and consistiang of members from various departments of State Government and the Central Ministries will consider and approve the proposed District Plans to be taken up under the districts component of the BRGF.

(ix) All funds will be transferred to the consolidated funds of the State Governments. Those funds that are to be transferred to Panchayats and Municipalities by the State Governments will be transferred to their bank accounts within 15 days of the release of funds to the Consolidated Funds.

(x) Audit, Inspection of works, preparation of booklet of verification of works and progress reports will be done as per the procedure prescribed.

(xi) Separate guidelines have been provided in Chapter 5 for the States and districts not covered by Park IX and Part IXA of the Constitution.

Statement-II

Copy of the relevant provisions in the guidelines

3.2 Resources for funding the Training Programme:

3.21. Effective implementation of BRGF will require continuous and sustained building of the capability of all Stakeholders. An amount of Rs. 250 crore per annum is especially earmarked under BRGF for capability building of Panchayats. The allocation of funds for each State is calculated at the rate of Rs. 1 crore per BRGF district in that State. In addition, funds may be earmarked for certain aspects of capability building from the development grant for the district as described in this chapter.

3.22. The various components of capability building and the sources of funds for the same within the BRGF are described in the table below:

Table 1

Sl. No.	Component of capability building	Description of sub-components	Source of funds
1	2	3	4
(a)	Provision of adequate functionaries for the Panchayats for planning and implementation	The functionaries at the Panchayat level can be augmented in the manner described in Para 3.23 below. Augmenting functionaries for Panchayats and Municipalities can be undertaken on the following conditions: (a) This amount *should not be used* to pay the salaries of existing Government staff working at the Panchayats and Municipalities level. (b) This facility shall be used only for essential staff wherever gaps exist. (c) Staff shall be recruited by the Panchayats or Municipalities, in the manner prescribed by the State Government. (d) Panchayats may progressively take over the responsibility of paying staff salaries, utilizing financial transfers such as State and Central Finance Commission grants or own revenues to bridge the gap.	Earmarking 5 percent of the development grant allocated for the district.

1	2	3	4
(b)	Provision of technical assistance, or providing scope for the outsourcing of technical support for planning and implementation, particularly the accessing of services of resource persons to support PRIs as well as Grama Sabhas in the decentralized planning process	(a) Establishing extension or Resource Centre if required, at each Intermediate Panchayat level or below, for the use of all Panchayats and Municipalities, with pooled staff from development departments and/or experts. (b) Access the services of resource persons and professionals through outsourcing.	From the Rs. 250 crore capability building fund.
(c)	Providing sufficient office infrastructure, including office buildings wherever required and connectivity to these offices through roads, telephones, power supply and e-connectivity	Physical infrastructure for the conduct of Panchayat affairs provided 30 per cent of the cost is contributed from other sources. Acquirring computers and peripherals, and providing interface equipment which may be required for broadband connectivity, and training for software use at each Panchayat level Telephone connections to all Panchayats	Using developmental grants. Funded from the Rs. 250 crore capability-building fund. An effort will be made by the Department of Telecommunication to provide telephone connections to Panchayats, which seek such a facility.
(d)	Providing adequate training	Implementation of training perspective plan as described in the National Capability *Building Framework, placed at Annexe-3.* Establishment and maintenance of help lines, as described in Annexe-3. For the proposed help lines, any of the existing telecom providers operating in the State/District may be selected through a tender or any other transparent process.	From the Rs. 250 crore capability building fund.

1	2	3	4
(e)	Conduct of surveys, studies on backwardness and development of a baseline databank	Entering data onto the National Panchayat Portal in respect of each Panchayat and development it in each Panchayat progressively. Preparation of a multi-layered GIS based database for local planning, using information put together by the Department of Space and NIC.	From the Rs. 250 crore capability building fund.
(f)	Establishment and maintenance of the accounting and auditing system		From the Rs. 250 crore capability building fund.
(g)	Securing assistance for Panchayats and the District Planning Committee for preparing and consolidating plans.		From the Rs. 250 crore capability building fund.

3.3 Provision of Training:

The objectives of the training component of Capability building (Component 'd' in Table 1 above) are as follows:

(a) Upgrading the knowledge and skills of all Panchayats and Municipalities elected representatives to better perform their responsibilities.

(b) Orient key officials associated with functions devolved to Panchayats and who are working under or closely with them to effectively serve and facilitate the Panchayats in the performance of devolved functions.

(c) Improve functioning of the Gram Sabha, particularly through building the capability of pressure groups such as SHGs and CBOs to participate more meaningfully.

Within the broad parameters of the National Capability Building Framework prepared by the Union Ministry of Panchayati Raj (Annexe-3), State and District specific training strategies and plans should be prepared by respective State Governments, which will be suitably supported by the

Ministry of Panchayati Raj. A State Capability Building Perspective Plan for 5 years, addressing the components described above may be prepared by each State. For this purpose, States may designate a nodal agency, such as the SIRD for preparation and management of the training plan. Technical assistance may be provided by the Ministry of Panchayati Raj for the preparation of State specific perspective plan document for training.

The High-level monitoring and implementation committee at the State level may approve the plan before implementation. The costs can include both capital and revenue costs.

Funds will be released annually by the Ministry of Panchayati Raj on the following conditions:

(a) Receipt of the plan approved by the High level committee set up at the State level,

(b) Indication of the funds proposed to be retained at the State level for implementation purposes described in the table above and the funds that will be sent to each district,

(c) An annual plan, drawn from the perspective plan, indicating the programmes to be taken up in the year in question, with allocations for each component within it.

3.23 Preferred focus on provision of trained community level workers at each Gram Panchayat:

BRGF shall have a clear focus on building community capacities, particularly in the approach to providing staff to the Gram Panchayat. Action may be taken by Panchayats on the following lines:

(a) A trained community level person for agriculture extension:

This individual will be a multi-tasked functionary to provide knowledge inputs to the community on agriculture, water management, livestock development, post-harvest management and agri-business. Selection could be done by the local PRI.

(b) A gender empowerment community leader or volunteer:

This individual will act as a coordinator in the village and undertake activities for female literacy and micro finance. An elected woman panchayat representative could also be chosen as a gender coordinator. This coordinator will facilitate women at the panchayat level to organize themselves into SHGs, encourage them to register with Panchayats in

case they are non-literate and engage any literate person to undertake literacy classes. The Government would make the three Primers for literacy available and introduce a 4th Primer on gender rights. Even as they undergo literacy classes, the groups could from themselves into thrift and credit groups for micro finance. At the end of a year, the literacy status could be evaluated through a Common Evaluation Test and an honourarium of Rs. 100 or above paid to the person who has made them literate (to be made available from funds for the literacy campaign). The value of such a model is to creat a societal movement for female literacy, which can make nearly 100 million women literate and nearly half a million women self-help groups formed at the national level in addition to building a cadre of women activists who would emerge through this gender empowerment exercise.

(c) Trained 'barefoot engineers', or creation of local engineering capacity:

At least one person per Panchayat may be trained in minor engineering repairs, such as electricity repair, repair of hand-pump, repair of agricultural pump sets etc.

(d) Support for Professional Planning:

Under the professional support envisaged to be provided under BRGF to local bodies for planning and implementation of their plan, in the first two years this support can have a focus on creation of RBHs in the handloom, handicrafts and rural industries sector and professionals in these areas may be linked to crafts-persons through mediation by local bodies. Clusters have been identified at the national level for both handlooms and handicrafts and could be extended for other areas of rural industry especially traditional industry. Good existing models for professional handholding aimed at design and skill upgrading may be replicated through this approach.

3.24 Training for the above personnel:

BRGF funds can be used for training such persons at the Panchayat level. Training modules can be developed at the state level and a trainer network organized using existing engineering personnel, agricultural scientists, agricultural and veterinary department officials, private and cooperative sector organizations etc. at the local level to impart training at the local level, as envisaged in Course II(a), described in Annexe 3, Para 2.31.